

State of Connecticut

GENERAL ASSEMBLY



PERMANENT COMMISSION ON THE STATUS OF WOMEN

18-20 TRINITY STREET
HARTFORD, CT 06106-1628
(860) 240-8300
FAX: (860) 240-8314
Email: pcsw@cga.ct.gov
www.cga.ct.gov/PCSW

**Testimony of
Barbara Potopowitz
Public Information Officer
Permanent Commission on the Status of Women
Before the
Commerce Committee
Tuesday, February 22nd, 2005**

Re:

**HB 5496, AA Creating a Microloan Program for Microenterprises
HB 6497, AAC Microenterprise Economic Development
CB 100, An Act Establishing A Small Business Programs Clearinghouse in the
Department of Economic and Community Development**

Good afternoon, Senator LeBeau, Representative Berger and members of the Committee. My name is Barbara Potopowitz and I am the Public Information Officer for the Permanent Commission on the Status of Women. I also direct the Women's Economic Development Initiative for the Commission. This is a program that supports the growth of women-owned small businesses, and we work collaboratively with the Connecticut chapter of NAWBO, the National Association of Women Business Owners. Thank you for this opportunity to testify in support of two important bills, HB 5496 and HB 6497.

Women business owners have made significant advances in Connecticut. They account for 28.4% of all privately held firms in the state, employ nearly 74,125 people and generate over \$7.5 billion in sales. In fact, small businesses are the true engine of our state economy, employing more workers overall than large corporations, and offering more opportunities for women and members of minority groups to enter the business community as owners and entrepreneurs.¹

¹2004, Center for Women's Business Research

In preliminary results of a survey of women business owners currently being conducted by NAWBO-CT, 33% of the respondents indicated, “access and increased funding for starting and growing a small business” was very important. Obtaining reasonable financing was identified as one of the top challenges facing today’s small business. Over half of the respondents to this survey own businesses that generate less than \$100,000 per year in business revenue and 72% of them classify their businesses as either Sole Proprietor or Limited Liability Corporation. Last year, we held two public hearings to learn more about the concerns of women business owners, and several women spoke about the problems they face securing capital to start or grow their businesses.

We need state policies that successfully promote and protect the microbusiness and we firmly support the goals of HB 5496 and HB 6497 that would provide funding for the microloan revolving account for microenterprises.

We also support the concept of C.B. 100, which would establish a clearinghouse for small business programs. This bill would house that task within the Department of Economic and Community Development (DECD). However, we would like to note that CERC, the Connecticut Economic Resource Center provides most of these services (except for making field visits to small businesses) and we are sure the General Assembly would not wish to duplicate services. Also, pursuant to C.G.S. § 32-9n, the general Assembly has already established an Office of Small Business Affairs within DECD, which is supposed to fulfill the duties identified in this proposal, but carries no funding. We urge you to fund this Office to further the goal of assisting small businesses, as set forth in C.B. 100.

I thank you for your attention this afternoon.

